

1. At all times relevant to this Indictment:
 - a. RICHARD BANACH was a mortgage broker operating out of North Shore Financial, Inc., located in Glen Head, New York.
 - b. ALNEATHA RENEE BARKSDALE and ERIC BARKSDALE were owners and residents of 4 Kolb Avenue, Sayreville, New Jersey.
 - c. Chase Mortgage and ABN AMRO Mortgage Group, Inc. were financial institutions, as defined in Title 18, United States Code, Section 20.
2. From in or about January 2001, to in or about September 2006, in the District of New Jersey and elsewhere, defendants

RICHARD BANACH,
ALNEATHA RENEE BARKSDALE,
and
ERIC BARKSDALE

knowingly and willfully conspired and agreed with each other and with others, to execute and attempt to execute a scheme and artifice to defraud a financial institution and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, a financial institution, by means of false and fraudulent pretenses, representations, and promises, as set forth below, contrary to Title 18, United States Code, Sections 1344.

Object of the Conspiracy

3. It was the object of the conspiracy for the defendants RICHARD BANACH, ALNEATHA RENEE BARKSDALE, and ERIC BARKSDALE to obtain funds from various financial institutions, including, but not limited to, Chase Mortgage and ABN AMRO Mortgage Group, Inc., by staging fictitious sales of properties owned by defendants ALNEATHA RENEE BARKSDALE and ERIC BARKSDALE, fraudulently acquiring residential mortgages to purchase the properties, and thereafter misappropriating the proceeds of the residential mortgages.

Manner and Means

4. It was a part of the conspiracy that defendants RICHARD BANACH, ALNEATHA RENEE BARKSDALE, and ERIC BARKSDALE and their

co-conspirators arranged for the fictitious sales of residential properties located at 3519 Snyder Avenue, Brooklyn, New York; 34 Oakland Place, Brooklyn, New York; and 4 Kolb Avenue, Sayreville, New Jersey, to co-conspirators purporting to be legitimate buyers.

5. It was further a part of the conspiracy that defendant RICHARD BANACH arranged for residential mortgage loans to be fraudulently secured from Chase Mortgage and ABN AMRO Mortgage Group, Inc. for the purported buyers to finance the purchase of properties.

6. It was further a part of the conspiracy that defendants RICHARD BANACH and ERIC BARKSDALE recruited individuals to act as buyers at the time of the sale.

7. It was further a part of the conspiracy that defendant RICHARD BANACH provided false identification documents, employment records, and other paperwork for the buyers to use to fraudulently acquire the residential mortgages, and complete the fraudulent sales of the properties.

8. It was further a part of the conspiracy that defendants RICHARD BANACH, ALNEATHA RENEE BARKSDALE, and ERIC BARKSDALE received money from the residential mortgage loans at the time of the fraudulent sales of the properties.

9. It was further a part of the conspiracy that defendants RICHARD BANACH, ALNEATHA RENEE BARKSDALE, and ERIC BARKSDALE made payments towards the mortgage loans in the names of the buyers.

Overt Acts

10. In furtherance of the conspiracy and to effect its unlawful object, defendants RICHARD BANACH, ALNEATHA RENEE BARKSDALE, and ERIC BARKSDALE and their co-conspirators committed and caused to be committed the following overt acts in the District of New Jersey and elsewhere:

a. On or about January 8, 2001, defendants ALNEATHA RENEE BARKSDALE and ERIC BARKSDALE engaged in a fictitious sale of their property located at 3519 Snyder Avenue, Brooklyn, New York, to an individual using the name D.C. for approximately \$240,000.00.

b. On or about January 8, 2001, defendant RICHARD BANACH arranged for D.C. to receive an approximately \$196,00.00 mortgage from Chase Mortgage for the purchase of 3519 Snyder Avenue from defendants ALNEATHA RENEE BARKSDALE and ERIC BARKSDALE.

c. On or about January 8, 2001, defendants RICHARD BANACH, ALNEATHA RENEE BARKSDALE, and ERIC BARKSDALE received funds from the approximately \$196,000.00 Chase mortgage during the closing of the sale of the Snyder Avenue property.

d. On or about August 26, 2002, defendants ALNEATHA RENEE BARKSDALE and ERIC BARKSDALE engaged in a fictitious sale of

their property located at 34 Oakland Avenue, Brooklyn, New York, to an individual using the name R.P. for approximately \$310,000.00.

e. On or about August 26, 2002, defendant RICHARD BANACH arranged for R.P. to receive an approximately \$255,200.00 loan from ABN AMRO Mortgage Group, Inc. for the purchase of 34 Oakland Avenue from defendants ALNEATHA RENEE BARKSDALE and ERIC BARKSDALE.

f. On or about August 26, 2002, defendants RICHARD BANACH, ALNEATHA RENEE BARKSDALE, and ERIC BARKSDALE received funds from the approximately \$255,200.00 ABN AMRO mortgage during the closing of the sale of the Oakland Avenue property.

g. On or about February 14, 2003, defendants ALNEATHA RENEE BARKSDALE and ERIC BARKSDALE engaged in a fictitious sale of their property located at 4 Kolb Avenue, Sayreville, New Jersey, to an individual using the name D.B. for approximately \$400,000.00.

h. On or about February 14, 2003, defendant RICHARD BANACH arranged a \$320,000.00 loan to D.B. from ABN AMRO Mortgage Group, Inc. for the purchase of 4 Kolb Avenue from defendants ALNEATHA RENEE BARKSDALE and ERIC BARKSDALE.

i. In support of the loan application, on or about February 14, 2003, defendants RICHARD BANACH, ALNEATHA RENEE BARKSDALE, and ERIC BARKSDALE caused a "Uniform Residential Loan

Application" to be completed in the name of D.B. representing falsely that D.B. was a resident of New York, was employed by "Back on Track Housing" located at 3519 Snyder Avenue, and had over \$100,000.00 in an account at Carver Federal Bank.

j. On or about February 14, 2003, defendants RICHARD BANACH, ALNEATHA RENEE BARKSDALE, and ERIC BARKSDALE received funds from the approximately \$320,000.00 ABN AMRO mortgage.

k. On or about February 19, 2004, defendant RICHARD BANACH requested an appraisal of 4 Kolb Avenue for a second fictitious sale of the property from D.B. to another co-conspirator, listing former owner defendant ERIC BARKSDALE as the realtor handling the transaction.

l. On or about September 13, 2006, following a default on the approximately \$320,000.00 ABN AMRO mortgage in the name of D.B. for the property located at 4 Kolb Avenue, defendant ALNEATHA RENEE BARKSDALE challenged foreclosure proceedings claiming she resided at 4 Kolb Avenue as a tenant of D.B.

In violation of Title 18, United States Code, Section 1349.

COUNT 2

(Bank Fraud)

1. Paragraphs 1 and 3 through 10 of Count 1 of this Indictment are hereby realleged and incorporated as though set forth in full herein.

2. On or about February 14, 2003, in the District of New Jersey and elsewhere, defendants

RICHARD BANACH,
ALNEATHA RENEE BARKSDALE,
and
ERIC BARKSDALE

did knowingly execute and attempt to execute a scheme and artifice to defraud a financial institution and to obtain moneys, funds, credits, assets, securities and other properties owned by, or under the custody and control of, a financial institution by means of false pretenses, representations, and promises, namely by obtaining an approximately \$320,000.00 loan from ABN AMRO Mortgage Group in the name of D.B. for the supposed purchase of 4 Kolb Avenue, Sayreville, New Jersey, from defendants ALNEATHA RENEE BARKSDALE and ERIC BARKSDALE, based on falsified documents asserting, among other things that D.B. was a resident of New York, was employed by "Back on Track Housing" located at 3519 Snyder Avenue, and had over \$100,000.00 in an account at Carver Federal Bank.

In violation of Title 18, United States Code, Sections 1344 and 2.

Count 3

(Conspiracy to Commit Identity Theft)

1. Paragraphs 1, 3 through 9, and 10g through 10l of Count 1 of this Indictment are hereby realleged and incorporated as though set forth in full herein.

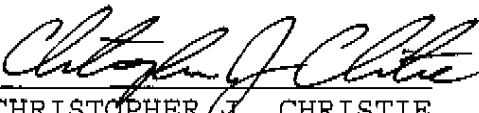
2. On or about February 14, 2003, defendants

RICHARD BANACH,
ALNEATHA RENEE BARKSDALE,
and
ERIC BARKSDALE

did knowingly conspire to transfer, possess, and use, without lawful authority, a means of identification of another person, specifically the name of Florida resident D.B., with the intent to commit, and to aid and abet, and in connection with, any unlawful activity that constitutes a violation of Federal law, namely, bank fraud, contrary to Title 18, United States Code, Section 1344.

In violation of Title 18, United States Code, Section 1028(f) and 1028(a)(7).

A TRUE BILL


CHRISTOPHER J. CHRISTIE
UNITED STATES ATTORNEY

CASE NUMBER: _____

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA

v.

RICHARD BANACH, ALINEATHA RENEE BARKSDALE, & ERIC BARKSDALE

INDICTMENT FOR

18 U.S.C. § 1028, 1344, 1349 & 2

A True Bill,

Foreperson

CHRISTOPHER J. CRISTIE
U.S. ATTORNEY
NEWARK, NEW JERSEY

EUGENIA A. P. COWLES
ASSISTANT U.S. ATTORNEY
609-989-2190
